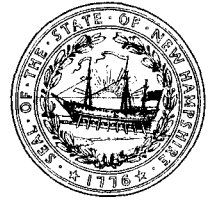




The State of New Hampshire
Department of Environmental Services



Michael P. Nolin
Commissioner

September 7, 2006

Sanmina-SCI Corp.
Attn: Jose A. Carrasquillo
140 Abby Road
Manchester, NH 03103

Re: Docket No. AF 06-034 - Administrative Fine by Consent Agreement

Dear Mr. Carrasquillo:

Enclosed for your records is a copy of the fully executed and accepted Administrative Fine by Consent Agreement in the above-captioned matter.

On behalf of the Department of Environmental Services, thank you for your cooperation in resolving this matter.

Sincerely,

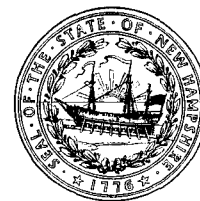
COPY
Michael P. Scalfani,
Legal Assistant

cc: Michael J. Walls, DES Assistant Commissioner
Anthony P. Giunta, P.G., Director, Waste Management Division
Gretchen R. Hamel, Administrator, DES Legal Unit
Kerry D. Barnsley, Compliance Attorney, DES Legal Unit
Jennifer J. Patterson, NH DOJ
Paul L. Heirtzler, P.E., WMD
Linda Birmingham, DES WMD
DES Public Information Officer
David Hager, Engineering Manager, Sanmina
CT Corporation System, Registered Agent



The State of New Hampshire
Department of Environmental Services

Michael P. Nolin
Commissioner



Sanmina-SCI Corp.
140 Abby Road,
Manchester, New Hampshire

EPA ID No. NHD500004163

**ADMINISTRATIVE FINE
BY CONSENT**

No. AF 06-034

I. INTRODUCTION

This Administrative Fine by Consent is entered into by and between the Department of Environmental Services, Waste Management Division, and Sanmina-SCI Corp. pursuant to RSA 147-A and the New Hampshire Administrative Rule Env-C 601. This Administrative Fine by Consent ("Agreement") is effective upon signature by all parties.

II. PARTIES

1. The Department of Environmental Services, Waste Management Division ("DES"), is a duly constituted administrative agency of the State of New Hampshire, having its principal office at 29 Hazen Drive, Concord, New Hampshire.
2. Sanmina-SCI Corp. ("Sanmina") is a corporation registered to do business in New Hampshire. Sanmina's headquarters are located at 2700 North First Street, San Jose, California. Sanmina has a local principal office and mailing address of 140 Abby Road, Manchester, NH, 03103.

III. BACKGROUND

1. Pursuant to RSA 147-A, the Department of Environmental Services regulates the management and disposal of hazardous waste. Pursuant to RSA 147-A:3, the Commissioner of DES has adopted Env-Wm 100-1100 ("Hazardous Waste Rules") to implement this program.
2. Pursuant to RSA 147-A:17-a, the Commissioner of DES is authorized to impose fines of up to \$2,000 per offense for violations of RSA 147-A or rules adopted pursuant thereto. Pursuant to this section, the Commissioner has adopted Env-C 612 to establish the schedule of fines for such violations.
3. Sanmina is a hazardous waste generator that notified the United States Environmental Protection Agency ("EPA") of its activities through DES on September 11, 1996. EPA

Identification Number NHD500004163 was assigned to Sanmina's site located at 140 Abby Road in Manchester, New Hampshire.

4. On June 15, 2005, DES personnel inspected Sanmina for compliance with RSA 147-A and its implementing regulations, the New Hampshire Hazardous Waste Rules. As a result of the violations of the Hazardous Waste Rules observed during this inspection, DES issued Letter of Deficiency No. WMD 05-019 ("LOD") to Sanmina on August 4, 2005. Based on the violations observed during the inspection listed above, DES believes that an administrative fine is appropriate in this case for the Class I violations.

IV. ALLEGATIONS, ADMINISTRATIVE FINES

1. Sanmina failed to obtain a permit for the operation of a wastewater evaporation unit, which is a hazardous waste facility because it generates and accumulates a wastewater treatment sludge that is a hazardous waste as defined in Env-Wm 400 (*i.e.*, toxic), as required by RSA 147-A:4, I/Env-Wm 353.04 ("Violation 1"). Env-C 612.03(a) authorizes a fine of \$2,000 per treatment or storage unit.

2. Sanmina failed to conduct adequate waste determinations for the flux/water mixture from the wave solder machine, the floor sweepings, the mop water, and the oven filters from the SMT lines, as required by Env-Wm 502.01 ("Violation 2"). Env-C 612.05(a) authorizes a fine of \$1,500 per determination, for a potential fine of \$6,000.

3. Sanmina failed to notify DES of changes in notification information, as required by Env-Wm 504.02(d) and Env-Wm 504.02(b)(7) ("Violation 3"). Env-C 612.08(e), which references Env-Wm 504.02(c), modified in August 2000 to Env-Wm 504.02(d), authorizes a fine of \$500.

4. Sanmina failed to close one (1) 55-gallon container of lead contaminated waste in the main storage area and three (3) 5-gallon satellite containers of lead contaminated waste in the SMT Line area, as required by Env-Wm 507.01(a)(3) and Env-Wm 509.03(d) ("Violation 4"). Env-C 612.06(c)(1) authorizes a fine of \$400 for each container that is 55-gallons or greater and Env-C 612.07(j) authorizes a fine of \$1,000 per satellite storage area, for a potential fine of \$1,400.

5. Sanmina failed to mark one (1) box of outdated ignitable 2-part epoxies and two (2) 1-gallon containers of ignitable material stored in the main hazardous waste storage area with the beginning accumulation date when they are first used to store hazardous waste, as required by Env-Wm 507.03(a)(1)a. ("Violation 5"). Env-C 612.06(k) authorizes a fine of \$125 for each container that is less than 55-gallons, for a potential fine of \$375.

6. Sanmina failed to properly mark the one (1) box of outdated ignitable 2-part epoxies and the two (2) 1-gallon containers of ignitable material stored in the main hazardous waste storage area with the words "hazardous waste," words that identify the contents of the container, and the EPA or state waste number, as required by Env-Wm 507.03(a)(1)b., c., and d. ("Violation 6"). Env-C 612.06(l) authorizes a fine of \$300 for each container that is less than 55-gallons, for a potential fine of \$900.

7. Sanmina failed to provide initial hazardous waste training for two employees (Russ Webb and Bob Sturgeon) with hazardous waste management duties, as required by Env-Wm 509.02(a)(2) ("Violation 7"). Env-C 612.07(b) authorizes a fine of \$1,750 per individual not provided with initial training, for a potential fine of \$3,500.
8. Sanmina failed to have a complete contingency plan on-site, as required by Env-Wm 509.02(a)(5) ("Violation 8"). Env-C 612.07(e) authorizes a fine of \$2,000.
9. Sanmina failed to post adequate emergency information at the nearest telephone to the main hazardous waste storage area, as required by Env-Wm 509.02(b) ("Violation 9"). Env-C 612.07(h) authorizes a fine of \$1,000 per area.
10. Sanmina failed to mark one (1) 3-gallon satellite storage container of hazardous waste sludge observed near the stencil washer machine and ten (10) satellite containers of lead contaminated hazardous waste in the SMT Line area and the Wave Solder area, with the words "hazardous waste" and words that identify the contents of the container, as required by Env-Wm 509.03(g) ("Violation 10"). The potential fine for the SMT Line area is included in the fine sought in Paragraph 4 because the violation occurred in the same satellite storage area. Env-C 612.07(j) authorizes a fine of \$1,000 per satellite storage area, for a potential fine of \$2,000.
11. Sanmina failed to label/mark the six (6) containers of universal waste lamps with any of the following markings: "Universal Waste – Lamps(s)", "Waste Lamp(s)", or "Used Lamp(s)", as required by Env-Wm 1102.03 and Env-Wm 1112.04 ("Violation 11"). Pursuant to Env-C 610, a fine of \$50/container has been calculated, for a potential fine of \$300.
12. Sanmina failed to close the six (6) containers of universal waste lamps, except to add or remove universal waste, as required by Env-Wm 1102.03(c)(1) ("Violation 12"). Pursuant to Env-C 610, a fine of \$15 per container has been calculated, for a potential fine of \$90.
13. Sanmina failed to obtain a permit for the disposal of hazardous waste (*i.e.*, floor sweepings (D008) and oven filters (D008)), as required by RSA 147-A:4, I/Env-Wm 353.01("Violation 13"). Env-C 612.03(b) authorizes a fine of \$2,000 per disposal event, for a potential fine of \$4,000.

V. PAYMENT, WAIVER OF HEARING

1. DES agrees to waive fines associated with Violations 3 through 12 because they are not Class I violations.
2. DES asserts that the following fines are appropriate for Violation 1, 2, and 13 which are Class I violations.
 - a. Violation 1 is a Class I violation. DES has determined due to Sanmina's high level of cooperation in providing information and its effort to correct the violation that a 20% reduction should be applied. DES is thus seeking a fine of \$1,600.

- b. Violation 2 is a Class I violation. Sanmina documented that three (3) waste streams were analyzed and determined to be non-hazardous. DES is thus seeking a penalty for failing to perform one (1) hazardous waste determination (*i.e.*, floor sweepings). DES has determined due to Sanmina's high level of cooperation in providing information and its effort to correct the violation that a 20% reduction should be applied. DES is thus seeking a fine of \$1,200.
 - c. Violation 13 is a Class I violation. Sanmina documented that one (1) waste stream (*i.e.*, oven filters) was analyzed and determined to be non-hazardous. DES is thus seeking a penalty for failing to obtain a permit for the disposal of hazardous waste (*i.e.*, floor sweepings (D008)). No penalty reduction is recommended. DES is thus seeking a fine of \$2,000.
3. Sanmina agrees to pay \$4,800 upon execution of this Agreement by an authorized representative of Sanmina.
4. Payment under Section V. Paragraph 3 shall be paid by certified check made payable to: "Treasurer, State of New Hampshire" and shall be mailed to:
- DES Legal Unit
Attn: Michael Sclafani, Legal Assistant
PO Box 95
Concord, NH 03302-0095
5. If any payment is made by check or money order that is returned due to insufficient funds, pursuant to NH RSA 6:11-a, DES may charge a fee in the amount of 5% of the face amount of the check or money order or \$25.00, whichever is greater, plus all protest and bank fees, in addition to the amount of the check or money order, to cover the costs of collection.
6. By executing this Agreement, Sanmina waives its right to a hearing on or any appeal of the administrative fines identified in this Agreement, and agrees that this Agreement may be entered into and enforced by a court of competent jurisdiction.
7. The effective date of this Agreement will be the date on which it is signed by an authorized representative of Sanmina, and the Director of the Waste Management Division, and the Commissioner of DES.
8. No failure by DES to enforce any provision of this Agreement after any breach or default will be deemed as a waiver of its rights with regard to that breach or default, nor will such failures be construed as a waiver of the right to enforce each and all provisions of this Agreement on any further breach or default.

WHEREFORE, the parties voluntarily accept the terms of this Agreement.

SANMINA-SCI CORP.

COPY
By: [Signature]
Plant Manager
Duly Authorized

8-23-06
Date

DEPARTMENT OF ENVIRONMENTAL SERVICES

COPY
By: [Signature]
Director
Waste Management Division

9/15/06
Date

COPY
By: [Signature]
Commissioner

09 06 07
Date

cc: RCRA/DB/AF
Paul L. Heirtzler, P.E., Esq., Administrator, WMD
Gretchen Hamel, Administrator, DES Legal Unit
Public Information Officer, DES PIP Office
Jennifer Patterson, NH DOJ
David Hager, Engineering Manager, Sanmina
CT Corporation System, 9 Capitol Street, Concord, NH 03301 (registered agent)